

House Engrossed
FILED
KEN BENNETT
SECRETARY OF STATE

State of Arizona
House of Representatives
Forty-ninth Legislature
First Regular Session
2009

CHAPTER 169
HOUSE BILL 2314

AN ACT

AMENDING SECTION 42-14403, ARIZONA REVISED STATUTES; RELATING TO CENTRALLY
ASSESSED PROPERTY VALUATIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 42-14403, Arizona Revised Statutes, is amended to
3 read:

4 42-14403. Determining valuation; definitions

5 A. On or before August 31 of each year, the department shall determine
6 the valuation as of January 1 of the property of all telecommunications
7 companies operating in this state at its full cash value. Real estate shall
8 be valued at market value, and personal property shall be valued on a unitary
9 basis at its ~~historical~~ cost less depreciation. In addition, the taxpayer
10 may submit documentation showing the need for, and the department shall
11 consider, an additional adjustment to recognize obsolescence using standard
12 appraisal methods and techniques.

13 B. For the purposes of this section:

14 1. ~~Depreciation is SHALL BE computed based on the tables adopted by~~
15 ~~the department in its personal property manual in effect on January 1, 1993~~
16 ~~for the following categories~~ ON A STRAIGHT LINE BASIS USING THE LIVES SET
17 FORTH AS FOLLOWS:

18 (a) Buildings with a twenty-five year life.

19 (b) Cable with a fifteen year life.

20 (c) Telecommunications equipment with a five year life.

21 (d) Any other telecommunications property that is not included in
22 subdivisions (a), (b) and (c) with a seven year life.

23 2. THE COMPUTATION PRESCRIBED IN PARAGRAPH 1 OF THIS SUBSECTION SHALL
24 NOT REDUCE THE VALUATION OF PROPERTY VALUED PURSUANT TO SUBDIVISION (a) BELOW
25 TWENTY PER CENT OF COST AND SHALL NOT REDUCE THE VALUATION OF PROPERTY VALUED
26 PURSUANT TO SUBDIVISIONS (b), (c) AND (d) BELOW TEN PER CENT OF COST.

27 ~~2.~~ 3. For cellular or other wireless telecommunications companies,
28 the taxable unit is the applicable metropolitan statistical area or rural
29 statistical area and does not include the value of any license that is issued
30 by the federal communications commission.

31 C. For the purposes of this section:

32 1. "~~Historical~~ Cost" means the original cost as reported on the
33 company's books and records.

34 2. "Obsolescence" means a reduction in the value of an asset resulting
35 from functional or economic obsolescence.

36 Sec. 2. Retroactivity

37 This act applies retroactively to valuation years beginning from and
38 after December 31, 2008.

APPROVED BY THE GOVERNOR JULY 13, 2009.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JULY 13, 2009.